

## NOTICE OF PROPOSED RULEMAKING

D.T.E. 99-38 April 27, 1999

Investigation by the Department of Telecommunications and Energy upon its own motion, pursuant to Sections 201 and 210 of Title II of the Public Utility Regulatory Policies Act of 1978; G.L. c. 25, § 5; G.L. c 164, §§ 76C; and 220 C.M.R. §§ 2.00 et seq., commencing a rulemaking to modify 220 C.M.R. §§ 8.00 et seq.

On April 27, 1999, the Department of Telecommunications and Energy ("Department") opened a rulemaking, proposing a revision of 220 C.M.R. §§ 8.00 et seq. - Sales of Electricity by Qualifying Facilities and On-Site Generating Facilities to Distribution Companies, and Sales of Electricity by Distribution Companies to Qualifying Facilities and On-site Generating Facilities ("QF Regulations"). A Qualifying Facility ("QF") is a generating facility that meets certain criteria specified by the Public Utility Regulatory Policies Act of 1978. QF status entitles a QF to sell its power to an electric distribution company. The Department's proposed QF Regulations are intended to replace the Department's QF Regulations and comply with the changes brought about by Chapter 164 of the Acts of 1997, entitled, "An Act Relative to Restructuring the Electric Utility Industry in the Commonwealth, Regulating the Provision of Electricity and Other Services, and Promoting Enhanced Consumer Protection Therein." The proposed QF Regulations are designed to: (1) price QF power on a market basis and

(2) redefine the responsibilities associated with interconnecting QF and on-site generators to an electric distribution company's system. A copy of the Department's proposed QF regulations may be obtained upon request from Mary L. Cottrell, Secretary, Department of Telecommunications and Energy, 100 Cambridge Street, Boston, Massachusetts 02202. In addition, the proposed QF regulations are posted on the Department's webpage at <http://www.magnet.state.ma.us/dpu>.

The Department will conduct a public hearing to receive oral comment on Department's proposed changes to 220 C.M.R. §§ 8.00 et seq. at 10 a.m. on FRIDAY, MAY 21, 1999, at the Department's offices, 100 Cambridge Street, Boston, Massachusetts. In addition, any interested person may submit an original and four (4) copies of written comments on the proposed changes to 220 C.M.R. §§ 8.00 et seq. Commenters must, whenever possible, file comments on a 3.5" diskette formatted in WordPerfect 5.1 or higher. These written comments shall be addressed to the Department and sent to Mary Cottrell, Secretary, at the address noted above, no later than FRIDAY, MAY 28, 1999.

By Order of the Department,

Mary L. Cottrell, Secretary